



## Regional District of Central Okanagan

Board Policy  
Policy & Procedures Manual

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Chapter: 8. PERSONNEL

Policy No. 8.11 Human Resources

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Section: 8.11 Excluded Salary Administration Policy

Policy Date: April 22, 2013 (Approved Date)

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The purpose of this policy is to provide a fair and consistent approach to salary administration for Regional District of Central Okanagan excluded positions not covered by a union collective agreement.

### 1. Definitions

**Job Evaluation** – a process to rank and compare excluded positions internally. The evaluation process is conducted by the Internal Job Evaluation Committee, consisting of a cross-section of excluded staff, including a representative from the Human Resources Department. The services of an external job evaluation consultant are used as required for training of staff evaluators and to provide quality assurance.

**Salary Range Band** – a salary range for a group of relatively equal excluded positions with a minimum, midpoint and maximum salary. Positions will be placed in salary bands based on job evaluation results and salary administration policy. Positions may move within a band or to another band based on job evaluation results.

**Compression** – compression occurs when the midpoint of an excluded Supervisor's salary range is lower than the annual rate of pay of their unionized employees. In such situations, compression pay will be considered. A rate of up to five percent (5%) above the unionized employee may be applied and reviewed on an annual basis following the annual excluded salary review. Concerns about compression are resolved on a case by case basis after a compression analysis has been completed by the Director of Finance and Administration Services and Manager of Human Resources.

**Red Circle** – as a result of a job evaluation or re-organization, where an incumbent is being paid more than the maximum salary of the salary range band. When this occurs, the incumbent will receive no future salary increases which would result in a salary above the maximum within their new salary range band. There will be no loss of pay for incumbents in these situations.

### 2. Job Evaluation

- All new and significantly changed exempt positions will be evaluated by the internal Job Evaluation Committee. A full evaluation of all exempt positions shall also be conducted approximately every five (5) years.

- Results of the evaluation will be reviewed by the Chief Administrative Officer, Department Director and Manager of Human Resources in order to ensure organizational consistency. Where such review conflicts with the evaluation results, the Committee will conduct a re-evaluation. These results are final subject only to the reconsideration process.
- Incumbents who feel their position was not evaluated correctly can request reconsideration by providing a written rationale to their Director. The Internal Job Evaluation Committee will only re-evaluate the position based on a recommendation from the employee's supervisor and the Manager of Human Resources. The results of the re-evaluation will be final.

### **3. Market Surveys & General Budgetary Guidelines**

A bi-annual market survey will be conducted using information from Hay Group's Pure Public Sector group. Recommendations will be made to the Board to adjust the minimum and maximum salary range band in order to maintain salaries at the 50<sup>th</sup> percentile (P50) of the Pure Public Sector group as required.

Comparisons of salaries from similar municipalities, unionized increases, budgetary pressures, Hay Group projected market adjustments and the general economic outlook will also be considered.

### **4. Placement and Movement in a Salary Range Band**

Salary upon appointment to an excluded position will be recommended jointly by the hiring manager and Manager of Human Resources, in consultation with the Department Director, and approved by the CAO. The standard practice will be to make appointments at the minimum salary within the band. Exceptions will be considered as follows:

- Qualifications Exceed - when it is determined that the qualifications of the successful candidate far exceed the required qualifications and it is anticipated there will be a shorter learning curve upon appointment, the approval of the Department Director and Director of Finance and Administrative Services is required.
- Recruitment and Retention Challenges - when it is in the best interest of the RDCO to secure the successful candidate's acceptance of the job offer or keep a current employee, the approval of the Department Director and Director of Finance and Administrative Services is required.
- Promotions and re-classifications to the higher band - generally internal candidates being appointed to positions within a higher salary band will be appointed at the band minimum or receive up to 2% promotional increase over their current salary. Placement into positions of a higher pay band does not automatically result in an increase in pay. The decision regarding pay on placement into a higher band will be based on the employee's qualifications, experience and salary as compared to the qualifications and salary for the new pay band as well as the existing staff within the salary band.
- Lower salary rates - salaries lower than minimum may be approved for training programs or for employees who do not meet minimum job requirements.
- Red-circled - when positions are re-classified to a lower salary band, the employee's salary will be red-circled.

- Employees moved to lower bands - employees applying to move to a lower salary band or employees demoted for cause will be placed into the new salary band. If their current salary exceeds the band maximum, then the employee is placed at the maximum of the new salary band.
- Lateral transfers - transfers within the same salary band are not subject to a salary increase.

## 5. Annual Salary Adjustments

- Any annual salary adjustments will be based on merit. Merit increases are designed to move employees through their salary band in recognition of improved skills, knowledge, greater experience and contribution to the organization.
- Overall merit increase guidelines are recommended annually to the Chief Administrative Officer by the Manager of Human Resources and approved by the Board based on the market survey and general budgetary guidance.
- Individual merit increases are recommended by the Department Director based on the guidelines established and an acceptable level of performance as indicated on the Performance Review, Goal Evaluation and Development Plan and approved by the CAO.
- All salary adjustments including merit and compression increases are effective the first pay period in ~~July~~ January.
- Annual salary adjustments are prorated for employees who were hired or received a promotional increase in the previous year.
- Any adjustments to salary band minimum and maximum rates will be based on the market survey and general budgetary guidelines as outlined above and subject to approval by the Board. Any across the board increases that are provided as a result of changes to salary band structure will be included in the annual salary adjustment which is awarded on a merit basis only.

## 6. Exceptions to Policy

Any exceptions to the policy require Board approval.

Any exceptions to the administrative application of the policy requires approval of the Chief Administrative Officer.